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House Memorial

A memorial to the Congress of the United States, urging Congress to amend Title XIX of the Social Security Act and declaring the intent of the Florida Legislature to amend Florida Statutes related to the Florida Medicaid program.

WHEREAS, the Constitution of the United States establishes a limited Federal Government and guarantees the rights of individuals and the rights of states, and

WHEREAS, the Florida Constitution requires a balanced budget and establishes the foundation for the state's fiscal responsibilities, and

WHEREAS, the Medicaid program was established in 1965 as a federal and state partnership, based on shared responsibility, distinct authority, and mutual financial participation, and

WHEREAS, Florida's Medicaid program has operated for 45 years with authority to determine eligibility, define covered services, and set payment levels, and

WHEREAS, decisions by the Florida Legislature about Medicaid must be made after consideration of the ongoing tax burden carried by Floridians, the state's available resources, and other state obligations, and

WHEREAS, the federal Patient Protection and Affordable Care Act eliminates state discretionary powers over eligibility by mandating coverage of at least 1.8 million new enrollees in Florida and prohibiting any changes to current eligibility standards, and

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28 WHEREAS, the Patient Protection and Affordable Care Act
29 further hinders the state's ability to manage its resources by
30 mandating previously optional services, requiring specific
31 payment levels to certain providers, and imposing numerous
32 additional administrative requirements, and

33 WHEREAS, the cumulative effect of new federal requirements
34 is to commandeer an increasing amount of Florida's resources
35 while leaving the state with few options for cost containment or
36 program improvement, and

37 WHEREAS, Florida's current Medicaid program is expected to
38 cost over \$20 billion per year, including \$5.5 billion in state
39 funds and will require more than \$2.5 billion in additional
40 general revenue to meet current commitments in the next three
41 fiscal years, and

42 WHEREAS, additional requirements imposed by the Patient
43 Protection and Affordable Care Act will add nearly another \$1
44 billion more to the state's financial obligation by 2016,
45 require an escalating state financial commitment, and disallow
46 essential means of state fiscal control, and

47 WHEREAS, the performance of Florida's Medicaid program is
48 undermined by limited physician participation, complex
49 programmatic design, extensive fraud, and inadequate quality
50 controls, and

51 WHEREAS, Medicaid participants are poorly served by a
52 program that cannot deliver coordinated and accessible health
53 care, and

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WHEREAS, the future of Florida's Medicaid program requires the delivery of more effective and affordable services to a growing, diverse, and aging population, and

WHEREAS, the rebuilding of Florida's Medicaid program is best accomplished through extension and modification of the current Medicaid reform waiver

WHEREAS, the Agency for Health Care Administration is negotiating pursuant to chapter 2010-144, Laws of Florida, an extension of the current Medicaid reform waiver beyond its 5-year term, and requires additional legislative guidance to successfully complete the negotiation

WHEREAS, the objectives contained in this Memorial are meant to be instructive to the Agency for Health Care Administration in its negotiations for the extension of the Medicaid reform waiver

WHEREAS, the Florida Legislature intends to transform the Florida Medicaid program into a statewide integrated managed care program for all services, NOW, THEREFORE,

Be It Resolved by the Legislature of the State of Florida:

(1) That the Florida Legislature urges Congress to amend Title XIX of the Social Security Act in order to re-establish a fair and prudent federal-state partnership that respects the constitutional requirements and fiscal constraints of each government and enables states to provide cost-effective health care services to low-income residents.

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81 (2) That the Florida Legislature urges Congress to re-
82 structure the Medicaid program based on the following
83 principles:

84 (a) The federal-state partnership for Medicaid should be
85 modeled on the Personal Responsibility and Work Opportunity
86 Reconciliation Act of 1996 with federal funding distributed
87 based on population and tied to specific goals and objectives,
88 allowing each state the freedom to craft a Medicaid program that
89 meets the needs of its residents.

90 (b) Participants should be empowered to use the public
91 resources provided for their health care to purchase private
92 health insurance when they determine such insurance better meets
93 their needs.

94 (c) A focus on prevention and cost-effective use of
95 services should be established by fostering personal
96 responsibility and rewarding healthy behaviors.

97 (d) Decision-making should be decentralized in order to
98 allow providers and plans to compete to deliver better value to
99 consumers through innovative service packages, organizational
100 forms, delivery systems, and payment methods.

101 (e) Participants should be given every opportunity to
102 achieve optimal health through systematic, transparent and
103 continuous outcome measurement and quality improvement.

104 (3) That the Florida Legislature resolves, even without
105 the federal reforms described herein, to adopt comprehensive
106 legislation in the 2011 regular session to accomplish the
107 following objectives:

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108 (a) To improve program performance by expanding key
109 components of the Medicaid managed care pilot program statewide
110 while strengthening accountability for improved patient outcomes
111 and preserving meaningful choices for participants.

112 (b) To improve access to coordinated care by enrolling all
113 Medicaid participants in managed care except those specifically
114 exempted due to short-term eligibility, limited service
115 eligibility, or institutional placement.

116 (c) To enhance fiscal predictability and financial
117 management by converting the purchase of Medicaid services to
118 capitated, risk-adjusted payment systems.

119 (d) To use the expertise of managed care organizations,
120 including both health maintenance organizations and provider
121 service networks, to provide all coverage and services for
122 medical assistance and long-term care, including home and
123 community-based services.

124 (e) To make the state a more prudent purchaser through use
125 of regional, competitive procurements to select, based on
126 quality and price, a limited number of managed care
127 organizations, including at least one provider service network
128 in each region. and

129 (f) To protect participants' choices and dignity by
130 expanding the use of the opt-out provisions of the pilot program
131 and by allowing Medicaid funds to be used for any state-
132 regulated private coverage, rather than limiting this option to
133 employment-based health benefits.

134 (g) To phase in the implementation of the statewide
135 managed care program, allowing adequate time for development of

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managed long-term care and reserving the final phase of the implementation of managed care for persons with developmental disabilities.

(4) That the Florida Legislature resolves to enact reforms that establish a more fair and predictable civil justice system which reduces disincentives for serving Medicaid participants.

BE IT FURTHER RESOLVED that copies of this memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.